



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 28, 1998

### **H.R. 4023**

#### **A bill to provide for the conveyance of the Forest Service property in Kern County, California, in exchange for county lands suitable for inclusion in Sequoia National Forest**

*As ordered reported by the House Committee on Resources on August 5, 1998*

#### **SUMMARY**

H.R. 4023 would provide for a property exchange between the federal government and Kern County, California, involving land and structures within the boundaries of the Sequoia National Forest. The bill provides that if the county conveys about 160 acres to the federal government, the Secretary of Agriculture would be required to convey to the county in exchange about 110 acres of federal land. The bill would deem the exchange approximately equal in value and it states that no additional property valuations or cash equalization payments would be required. Provisions regarding environmental remediation would limit the extent to which certain state and local laws apply to the lands involved in this exchange.

CBO estimates that enacting H.R. 4023 would not have a significant effect on the federal budget. Implementing the bill would necessitate additional discretionary spending, but the increase would likely total less than \$500,000 each year over the 1999-2003 period, subject to appropriation of the necessary funds. Because the bill would affect offsetting receipts, which are classified as direct spending, pay-as-you-go procedures would apply, but CBO estimates that any change in direct spending would total less than \$15,000 each year.

The preemption of state and local laws governing environmental remediation would be an intergovernmental mandate as defined by the Unfunded Mandates Reform Act (UMRA). However, the preemption is intended to protect the county from additional liability and may actually result in savings. This bill would impose no new private-sector mandates as defined in UMRA.

## **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

According to the Forest Service, the federal land to be conveyed to the county in the proposed exchange includes a 56-acre site used as a juvenile justice facility by Kern County under permit from the Forest Service. The federal acreage also includes a fish hatchery, a maintenance yard, and a maintenance building.

The county land to be acquired by the federal government encompasses two group campsites with several buildings and a water supply and distribution system. Users of the campsites currently pay recreational fees to the county. Thus, implementing the exchange could increase offsetting receipts to the federal government if the government continued to operate the campsites, but CBO estimates that the increase in receipts would total less than \$15,000 each year. Furthermore, according to the Forest Service, infrastructure on the county land is in disrepair. Pipes in the water system would have to be replaced to meet state health regulations. In addition, several buildings may require environmental remediation to remove asbestos and other contaminants. Because the Forest Service has not surveyed the buildings on the land that would be acquired from the county, however, the magnitude of the potential remediation is unknown. CBO estimates that such work on the acquired land would probably total less than \$500,000 each year over the next five years, subject to the availability of appropriated funds.

## **PAY-AS-YOU-GO CONSIDERATIONS**

Section 252 of the Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending and receipts. Implementing the exchange authorized by this bill could increase offsetting receipts if the government continued to operate campsites, but the estimated collections would not be significant.

## **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

H.R. 4023 would preempt state and local laws governing environmental remediation in association with the lands exchanged between the U.S. Forest Service and Kern County, California. This preemption would be an intergovernmental mandate as defined by UMRA. However, the preemption is designed to protect Kern County, as well as the United States government and officials, from additional liability. Consequently, the preemption would likely result in savings.

**ESTIMATED IMPACT ON THE PRIVATE SECTOR:**

This bill would impose no new private-sector mandates as defined in UMRA.

**ESTIMATE PREPARED BY:**

Federal Costs: Victoria V. Heid

Impact on State, Local, and Tribal Governments: Leo Lex

**ESTIMATE APPROVED BY:**

Robert A. Sunshine

Deputy Assistant Director for Budget Analysis